

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

ANNUAL COMPLIANCE REVIEW, 2014

Docket No. ACR2014

**NOTICE OF THE UNITED STATES POSTAL SERVICE
OF REVISIONS TO USPS-FY14-4 -- ERRATA**
(March 3, 2015)

The United States Postal Service hereby provides notice of revisions to the Package Services billing determinants provided in USPS-FY14-4, submitted with the ACR on December 29, 2014. On February 6, 2015, the Postal Service filed revisions to its Package Services billing determinants (See excel workbook *BPM_BDs_FY2014-WP_REV.2.6.15.x/sx*) to remedy the omission of FSS data noted in the Response to ChIR 1, Q 3c (Jan. 30, 2015), filed in Docket No. R2015-4. The Postal Service has identified the need for additional revisions to its Package Services billing determinants, which are included in the excel workbook *BPM BDs FY2014-REV 3-03-15.x/sx*, which is being submitted concurrently with this pleading. The material changes to the billing determinants are limited to Presorted BPM Flats and do not impact BPM Parcels or BPM Single Piece Flats. The changes relate to BPM-Flats presort volumes that were understated in the billing determinants, relative to the corresponding figures underlying the RPW and CRA reports. The changes are described in more detail below and are highlighted in the revised billing determinants file.

Package Services BPM-Flats Presort RPW Errors

The Package Services BPM-Flats presort volumes in the billing determinants were understated by 16,782,821 pieces compared to volumes reported in RPW and CRA systems. The billing determinants indicated that total RPW volumes were 229,554,727 pieces, when the RPW system actually showed 246,337,548 pieces. Similarly, the billing determinants indicated that RPW Revenue was \$205,863,741, when to match RPW it should have been reported as \$194,711,182. Finally, in the Billing Determinants, weight was reported as 377,594,399, when to match to RPW it should have been reported as 388,313,028 pounds. Corrections to these RPW totals in the billing determinants have been made in the “Presorts Flat BD” tab (cells D7, D8, and D9) of *BPM BDs FY2014-REV 3-03-15.xlsx*.

RPW numbers were misstated in the billing determinant because categories were either misidentified, or not included, in the creation of the initial billing determinants. As a result, volume that should have been included with Flats was not counted. Also, due to a labeling error in the materials used to create the BPM billing determinants, there was a significant amount of Basic Presort Flats DSCF volume that was misallocated to FSS DSCF Flats in the 2-06 Billing determinants revision. All of these issues have been corrected in today’s billing determinants revision.

Corrections have also been made to all of the volumes and weight numbers used to calculate revenue. Additionally, barcode discounts, which were inadvertently omitted from previous billing determinant files, have been added. The revised presort billing determinant page now provides a more accurate reflection of true revenues, volumes, and weights associated with BPM Presorted Flats.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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